



Planning Advice Note: Public Houses

Development Services

May 2024

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1. Introduction and purpose

- 1.1. This Planning Advice Note has been produced to provide developers and the community with clarification on how Stratford-on-Avon District Council will assess development proposals involving the loss of public houses (pubs). It should be read alongside the policies of the [Stratford-on-Avon District Core Strategy \(2016\)](#) in particular Policy CS.22 (Economic Development) and Policy CS.25 (Healthy Communities).
- 1.2. This Advice Note will clarify the implementation of existing Local Plan policy which is concerned with:
- Enabling new pubs across the District in town centres and critically, where they serve rural communities
 - Protecting against the loss of pubs where appropriate - encouraging their retention in the first instance and where appropriate permitting their use for alternative employment/ community provision
 - Allowing for the loss of pubs only where Local Plan tests are robustly demonstrated to have been met.

2. Context

- 2.1 Stratford-on-Avon District lies at the heart of England in the county of Warwickshire. The town of Stratford-upon-Avon is the largest settlement. There are also several important rural centres including Alcester, Shipston-on-Stour and Southam.
- 2.2 The District has a distinctly rural character. Over 78% of residents live outside the main town of Stratford-upon-Avon. Some 45% of residents live in parishes with a population of less than 3,000. In all, there are around 250 communities of varying sizes spread across a predominantly rural area covering 979 square kilometres. Stratford-on-Avon District is one of the largest districts in lowland England and the population density is low.

- 2.3 Stratford-upon-Avon is one of the 20% least densely populated local authorities. This creates challenges for delivery of and access to services.
- 2.4 Pubs play an important role at the heart of many local communities. They have historically provided social hubs and make a positive contribution to townscape and local identity. Pubs have changed significantly and today they provide an important role in promoting community cohesion; offering opportunities for people from different walks of life to mix. More than just a place to relax and drink, they can host events, clubs, and provide informal meeting spaces for local interest groups.
- 2.5 Pubs therefore have a strong role to play in supporting the local economy. They can help bring activity and vibrancy to our high streets in town centres and in rural areas where employment opportunities are more limited. Pubs provide employment opportunities indirectly, by supporting food suppliers and brewing industries.
- 2.6 The hospitality sector has faced challenges. While the worst of the Covid-19 pandemic impacts are behind the sector, new challenges have emerged - not least impacts associated with the increased cost of living. We have seen the closure of pubs across the District, including in the Town Centre and Main Rural Centres.

3. Planning policies on pubs

- 3.1 [Stratford-on-Avon District Core Strategy \(2016\)](#) - the local plan encourages new pubs within town centres and protects against their loss throughout the District; this reflects national policy. The [National Planning Policy Framework](#) recognises that pubs contribute to the sustainability of communities, and that planning policies and decisions should enable the retention and development of accessible local services and community facilities including pubs.
- 3.2 The local plan recognises pubs as a:
- Community facility
 - 'Main town centre' use
 - Use that contributes to employment.

- 3.3 The local plan provides a positive policy framework for new pubs, especially in town centre locations but also across the District. Pubs are recognised as being particularly important within rural areas.
- 3.4 It is recognised that there will be times where a change of use of a pub will be appropriate but given their importance to communities and the economy, strict planning policy tests will be applied, and clear evidence of meeting these tests is sought and will be scrutinised by the District Council. The Council also consults Campaign for Real Ale (CAMRA)¹ on planning applications for the change of use of pubs.

Policy CS.22 Economic Development

- 3.5 Pubs are also considered an employment use. Policy CS.22 (Economic Development) of the Core Strategy states that an existing employment site should not be redeveloped or converted to non-employment uses unless it is no longer viable or appropriate for a business purpose. The same principle applies to a site with planning permission for employment uses that has not been implemented. A rigorous assessment of each proposal of this nature will be undertaken.

Policy CS.25 Healthy Communities

- 3.6 There are four policy tests of Policy CS.25 (Healthy Communities) related to changing the use of an existing pub only one of which must be met. These tests are as follows:
- there is no realistic prospect of the facility continuing for commercial and/or operational reasons on that site;
 - the land and/or property has been actively marketed or otherwise made available for a similar or alternative type of facility that would be of benefit to the community (as agreed and defined by the community);
 - the facility can be provided effectively in an alternative manner or on a different site in accordance with the wishes of the local community; and

¹ CAMRA is an independent consumer organisation driven by a vision to have quality real ale ('live beer'), cider and perry and thriving pubs and clubs in every community. They produce a range of publications and resources concerned with the promotion of pubs.

- there are overriding environmental benefits in the use of the site being discontinued.
- 3.7 Policy CS.25 states that only one of the four policy criterion is required to be met in order to demonstrate that a proposal satisfies the plan policy. Evidence will be required to demonstrate compliance with one of these tests. If this evidence is not adequate, the planning application will not be recommended for approval.
- 3.8 In addition, the 'Development Management Considerations' in the supporting text to Policy CS.25 states that any proposals that would involve the loss of a local shop, pub or other local facility should include a thorough analysis of the existing operations of the business or service and its importance to the local community.
- 3.9 The loss of a pub to another employment use needs only satisfy any one of the four criteria of Policy CS.25. For clarity, any proposals involving the loss of a pub to a non-employment use will be expected to meet one of the four criteria of Policy CS.25. It must also address the requirements of Policy CS.22 which seeks to protect employment uses in certain circumstances.

Neighbourhood Plans

- 3.10 Neighbourhood Plans, including any related to community use in general or pubs in particular will also be considered in decision making. Neighbourhood Plans can be accessed here: [Neighbourhood Planning | Stratford-on-Avon District Council](#)

4. Applying planning policies related to the loss of pubs

Information on local provision

- 4.1 In all cases the District Council will require information on provision of pubs in the locality to contextualise any evidence provided under the main policy tests which are set out in the criteria under Policy CS.25 'Development Management Considerations'. This information should specifically identify existing provision of pubs near any planning application site. This should provide information on the catchment of the pub, taking account of reasonable travel times including drive times, as well as sustainable travel modes, such as walking, cycling and public transport, given the rural nature of the District. The distances should be measured by travel times (and not a straight-line route as the crow flies). This should take account of the ease of access, including the safety and suitability of footpaths and roads in rural areas, for example, whether routes are sufficiently well lit.
- 4.2 Different pubs have different offers, therefore information is also needed on whether the pub proposed for development by virtue of character, location or design, caters for different groups of people to those pubs identified as being located nearby.

Local List for Planning Applications

- 4.3 It is the Council's aim for planning applications to be valid and complete right from the start to make it easier to make faster decisions. There are national and local requirements for the information that needs to be submitted to enable this. Local requirements are set out in the Stratford District Council Planning Application Local List: <https://www.stratford.gov.uk/planning-building/the-application-process.cfm>.

Policy CS.25 criterion 1. There is no realistic prospect of the facility continuing for commercial and/or operational reasons on that site

- 4.4 The applicant will be required to demonstrate that the premises are no longer suitable for continued use as a pub, and the District Council will require the following evidence:
- Evidence of what alternative pubs exist in the locality.
 - Evidence that the pub business is not viable, see paragraph 4.6 – 4.9.
- 4.5 A Viability Assessment must be provided. The District Council will have any assessment independently reviewed by a qualified person and the costs of this must be met by the applicant.

Viability Assessment

- 4.6 To assess proposals involving the loss of a pub, under criterion 1, the applicant will be expected to submit a viability assessment to justify their development proposal.
- 4.7 As already acknowledged in the Stratford on Avon Local List for Planning Applications, the Campaign for Real Ale (CAMRA Public House Viability Test provides helpful guidance and takes account of a wide range of factors associated with the operation of a pub that must be considered when evidencing unviability. These include: Local trade; Customer potential; Competition; Flexibility of the site; Parking; Public transport; Multiple use; Partial loss; Competition case studies; The business - past and present; and the sale price (marketing). Evidence of seeking advice from CAMRA, and the nature of this advice, should also be supplied.
- 4.8 As part of this assessment, applicants will be expected to provide audited accounts to demonstrate annual profit or loss on venture for a period of at least two years. This will include scrutiny of accounts to ensure:
- Wage costs are reasonable and can be benchmarked against relevant data sources for average salaries in the region and sub-region (drawing on Office of National Statistics or other relevant sources)

- Profit expectations are reasonable, with details gross profit and net profit before tax to be provided in assessments
- Closures associated with during Covid-19 pandemic lockdowns are not represented in appraisals as constituting normal trading conditions.

4.9 The applicant will need to demonstrate that all reasonable measures to improve the viability of the pub have been pursued. This includes diversification of market offer, for example, serving food, events etc. Applications should also provide information on any renovations and improvement to the building or facilities undertaken. Evidence of continual maintenance, normally expected to cover a period of five years, should be provided. Any deviation from this period will only be considered in exceptional circumstance and will need to be robustly justified by the applicant.

Policy CS.25 criterion 2. the land and/or property has been actively marketed or otherwise made available for a similar or alternative type of facility that would be of benefit to the community

4.10 To satisfy Policy CS.25 Criterion 2, the District Council will require evidence which demonstrates:

- Evidence of what alternative pubs exist in the locality;
- Evidence of active marketing including a marketing statement (see paragraph 4.13 to 4.15); and
- Evidence that the business has been marketed for an alternative community use which has been informed by relevant engagement with the Parish Council and other community group.

4.11 Active marketing is required for a bespoke period, above the 6 month minimum, as stipulated in the Stratford on Avon Local List for Planning Applications. This should be:

- 12 months within Stratford-upon Avon town centre and the 8 Main Rural Centres as defined in the Core Strategy where, in addition to the pub subject to the proposal, there are at least two more pubs which are open and operating.

- 24 months elsewhere or in town centres if there are fewer than two pubs open and operating.
- 4.12 Town centre boundary maps, as identified in the Core Strategy, can be accessed here: <https://www.stratford.gov.uk/planning-building/policies-maps.cfm>
- 4.13 It is important that the period covered by the marketing period is recent and reflects of current market conditions. To ensure this is the case, the end of marketing period should be within a maximum of six months of the date of submission of the planning application.

Marketing Statement

- 4.14 The Marketing Statement should include evidence that the premises has been widely marketed as a pub, not subject to planning permission for an alternative residential use, through an agent/surveyor dealing in commercial property at the prevailing market rate for that use. This means that the property should not be marketed for residential or other uses 'subject to planning permission' or otherwise.
- 4.15 In addition, the statement will need to capture:
- The market price and evidence of how this relates to prevailing market rates, based on evidence from sale transaction data for comparable pubs;
 - Any changes in market price made during marketing; and
 - Details of any offers received and the reasons for not accepting the offer to allow the Council to consider whether any reasonable offer has been refused.
- 4.16 The Marketing Statement should also include evidence that the premises have been:
- Advertised in the regional and local press, including the property press and specialist commercial property websites, on a continuous / regular basis throughout a minimum period timescale;

- Continuously included on the agent's website and the agent's own papers and lists of commercial/business premises; and
- Continuously advertised on site by way of an agent's advertisement board on each site frontage to the highway throughout the period; and
- A record of all expressions of interest/offers received during the marketing period should also be supplied.

4.17 Owners/agents for premises currently being marketed for continued business uses are advised to keep a comprehensive record of the steps involved in marketing their premises (taking account of the criteria set out above).

Policy CS.25 Criterion 3. the facility can be provided effectively in an alternative manner or on a different site in accordance with the wishes of the local community

4.18 To demonstrate evidence of extensive consultation and engagement with the local community, including the Parish Council, and provide the following evidence:

- Evidence of what alternative pubs exist in the locality;
- Community Engagement Strategy - Evidence of community engagement and responses to this (see paragraphs 4.18 to 4.24);
- A report identifying community options for the pub, identified through engagement, incorporating a feasibility assessment of these (see paragraph 4.22); and
- A commercial viability assessment of the option chosen (see paragraph 4.23).

4.19 Any alternative provision, and the location timing of this, would be secured through a legal agreement or undertaking.

Community Engagement Strategy

4.20 Proposals for community consultation and engagement should be developed in close association with the Parish Council and advice should be sought from the District Council on the approach to engagement.

- 4.21 While the form that the engagement takes may vary in different settings, it should include:
- A survey of residents and employees within the catchment area of the facility, with the defined catchment area justified by evidence and informed by consultation with the Parish and District Councils; and
 - Community meetings at times accessible to residents, including outside of working hours.
- 4.22 Applicants are also required to have regard to the Council's Statement of Community Involvement (2024).
- 4.23 Applicants should submit a statement covering the community engagement that has taken place, including what consultation has taken place with the Parish Council and the outcome of this. The District Council will be looking for evidence of clear support for proposals from the majority residents.

Options report

- 4.24 A report on options for any redevelopment should be provided. This should clearly demonstrate the links with the outcomes of engagement. It should also address the feasibility of options presented.

Commercial viability assessment

- 4.25 The assessment of feasibility in the Options Report should be supplemented by a commercial viability assessment. This should demonstrate how profits from redevelopment of the pub / or part thereof can be used to enable reinvestment into the alternative provision proposed to safeguard its future as a going concern.

Policy CS.25 Criterion 4. there are overriding environmental benefits in the use of the site being discontinued.

4.26 In order to comply with Policy CS.25 criterion 4, it will be necessary for the applicant to provide:

- Evidence to demonstrate the exceptional circumstances and the environmental benefits of the use being discontinued; and
- Evidence of what alternative pubs exist in the locality.

5. Pubs as Assets of Community Value (ACV)

5.1 Some pubs in the District have been registered as Assets of Community Value (ACV). A property or land is an ACV if its main use has recently been or is presently used to further the social wellbeing or social interests of the local community and could do so in the future. The policies above will apply regardless of whether the pub has been listed as an ACV or not. More information about ACVs can be found on the Council's website: <https://www.stratford.gov.uk/people-communities/assets-of-community-value.cfm>.

5.2 Once registered, the local community will be informed if the ACV is listed for sale within the five-year listing period. The community can then enact the 'Community Right to Bid'², which gives the community group a period of six months to determine if they can raise the finance to purchase the asset.

5.3 Pubs have been the type of facility most registered as Assets of Community Value, reflecting their importance to the community as well as economic challenges in the sector in Stratford-on-Avon.

5.4 That a pub is allocated as an Asset of Community Value is a consideration but does not change the tests that must be applied under the policy - the District Council considers all pubs to be important especially in context of the rural nature of the authority area.

² Community Right to Bid gives a window of opportunity for a community group to compete to buy an asset on the open market.

Community - Led Pubs

- 5.5 An ACV allocation presents an opportunity for community led management. The Council will signpost information on request on community-ownership models and support for any groups who want to look at bringing assets into community control.
- 5.6 In April 2019, the Fox at Loxley, a listed ACV, came on the market. A community group bought the pub enabled by:
- £270,000 from 223 investors from across the UK and overseas; and
 - A small loan and grant support from the Plunkett Foundation, a charity which provides support for community businesses.
- 5.7 The purchase was completed in September 2020 and the pub reopened as a Community Pub that is 'More than a Pub' – offering a range of community and social impact activities, alongside food and drink service.

6. References and sources of further information

- Stratford District Council Core Strategy (2016): <https://www.stratford.gov.uk/planning-building/core-strategy.cfm>
- Stratford District Council Planning Application Local List: <https://www.stratford.gov.uk/planning-building/the-application-process.cfm>
- Assets of Community Value <https://www.stratford.gov.uk/people-communities/assets-of-community-value.cfm>
- Campaign for Real Ale (CAMRA): <https://camra.org.uk/>
- Plunket Foundation: <https://plunkett.co.uk/>
- Keep it in the Community, the national ACV platform - Keep it in the Community:
- <https://plunkett.my.site.com/keepitinthecommunity/s/>